Q.—1037. **Sri G. PAPANNA** (Sidlaghatta—Chikballapur).—

Will the Government be pleased to state:—

(*a*) the amount of loan granted to the Mysore Silk Filature Company so far, and the amount of loan obtained from the Bank of Mysore for which security has been furnished;

(*b*) the date from which an Officer of the Government has been appointed as Manager of that Company;

(*c*) the assets and liabilities of that Company at present;

(*d*) the number of places at which the Factories of the Company are situated;

(*e*) the number of factories at which work is being done since the last three years;

(*f*) the work turned out by this company and the profits earned or loss sustained during the last three years;

(*g*) the amount paid towards the principal and interest so far in respect of the loan obtained from Government?

A.—**Sri H. SIDDAVEERAPPA** (Minister for Home and Industries).—

(*a*) (i) Government loan: Rs. 10,75,000.

(ii) Mysore Bank loan: Rs. 8 lakhs.

(*b*) September 1949. He is appointed as Managing Director of the Company.

(*c*) The report of the Board of the Directors of Mysore Silk Filatures, Ltd., containing the Balance Sheet for the period ended 31-3-1953 is placed on the table of the House.

(*d*) (i) T.-Narasipur.
(ii) Mamballi.
(iii) Chamarajanagar.
(iv) Santhemaranahalli.
(v) Mysore.
(vi) Kuderu.
(vii) Sidlaghatta.

(*e*) Three at—
(i) T.-Narasipur.
(ii) Chamarajanagar.
(iii) Mysore.

(*f*) The work turned out for the last three years is noted below:—

	Lbs. of silk reeled.
(i) 1950-51	... 34,336
(ii) 1951-52	... 44,043
(iii) 1952-53	... 50,238

The Profit and Loss figures are as follows:—

	Rs.	a.	p.	
(i) 1950-51 ...	1,00,442	10	3	Loss
(ii) 1951-52 ...	4,431	14	4	Profit
(iii) 1952-53 ...	2,391	6	9	Profit

(*g*) Nil.

12-30 P.M.

Sri M. RAJASEKHARA MURTHY.—May I know what are the conditions imposed by the Government at the time of granting these loans to this Factory, Sir?

Sri H. SIDDAVEERAPPA.—I have not got them now before me. The object was to rehabilitate the industry and keep the work going on in the interest of sericultural industry.

Sri M. RAJASEKHARA MURTHY.—You have said that nothing has been received back either towards interest or principal. May I know what action has been taken to recover this amount, Sir?

Sri H. SIDDAVEERAPPA.—Government have not found it possible to recover anything substantial because the industry has not yet been able to stand on its own legs.

Sri M. RAJASEKHARA MURTHY.—Sir, when the loan was granted in 1940 the factory was making huge profits in the war period. May I take it that the Government did not make efforts to recover the amount?

Sri H. SIDDAVEERAPPA.—Where are figures for the Hon'ble Members to say that the factory made huge profits during that period? At any rate, I have not got figures with me.

Sri M. RAJASEKHARA MURTHY.—When the Government did not receive any amount towards the principal or interest for the loan sanctioned in 1949, where was the necessity to grant additional loans in the year 1951?

Sri H. SIDDAVEERAPPA.—Well, the position is this: if the Government will withdraw the loan amount today, the whole thing will be closed. It is

(SRI H. SIDDAVEERAPPA.)

sericultural industry in the heart of sericultural area in the State and if the Hon'ble Member's desire is that the factory should be closed, I have no objection.

Sri M. RAJASEKHARA MURTHY.—Are Government certain that all the factories are now working?

Sri H. SIDDAVEERAPPA.—I would invite the Hon'ble Member's attention to an article regarding Sericulture in "Trade and Commerce" on 6th February 1954. That gives the index position of the sericulture industry.

Sri M. RAJASEKHARA MURTHY.—Have Government looked into the conditions of the property that has been offered to Government as security?

Sri H. SIDDAVEERAPPA.—Yes, they have.

Sri M. RAJASEKHARA MURTHY.—Are Government aware that the value of the present property that has been offered to Government does not cover even 70 per cent of the loan?

Sri H. SIDDAVEERAPPA.—I am not sure about it.

Sri M. RAJASEKHARA MURTHY—Sir, you have shown profit for 51-52, 52-53. May I know whether these figures have been arrived at after making provision for depreciation?

Sri H. SIDDAVEERAPPA.—To some extent depreciation also has been provided. Unfortunately, I cannot say what exactly is the depreciation amount.

Sri M. RAJASEKHARA MURTHY.—Do you admit that if depreciation according to rules is allotted, the concern will lose to the extent of one lakh?

Sri H. SIDDAVEERAPPA.—For the years 51-52, 52-53 the amount of profit that is shown is without making any provision for depreciation. But only in previous year a certain amount of depreciation fund has been kept by.

For the information of the Hon'ble House I may state that the company has repaid to Government so far Rs. 87,879 in one item and Rs. 2,50,000 in another item. These are the only two repayments made by the factory ever since the time the loan was granted.

Mr. SPEAKER.—Is it the amount paid towards the principal and interest so far in respect of loan obtained from Government?

Sri H. SIDDAVEERAPPA.—With regard to the main loan, no repayment has been made. This is with regard to a particular item, that is, this Rs. 2,50,000 was paid as working capital during the war period; that has been repaid.

Sri S. SRINIVASA IYENGAR.—Will the Government be pleased to state whether it was not a fact that these recoveries were made at the time of granting loan?

Sri H. SIDDAVEERAPPA.—Notice please.

Sri S. SRINIVASA IYENGAR.—Will the Government be pleased to state the reasons for having posted a Government officer as its Managing Director?

Sri H. SIDDAVEERAPPA.—Well, with a view to safeguard the interest of Government in having given such a huge amount of loan and having stood as surety.

Sri S. SRINIVASA IYENGAR.—May I know the expenditure incurred by Government on account of this officer?

Sri H. SIDDAVEERAPPA.—I want notice.

Sri S. SRINIVASA IYENGAR.—May I know, Sir, whether the officer has found out the reasons for the loss year by year?

Sri H. SIDDAVEERAPPA.—He has been keeping us informed.

Sri S. SRINIVASA IYENGAR.—May I know the reasons?

Sri H. SIDDAVEERAPPA.—One reason is about the general condition of the sericulture industry in India. Secondly, they had a large stock accumulated which, as the Hon'ble Member is well aware of, being in the same place, it was not easy to sell. Thirdly, we have not been able to get a market for all that is produced there.

Sri S. SRINIVASA IYENGAR.—Are Government aware that what is produced there is higher than the estimated consumption?

Sri H. SIDDAVEERAPPA.—Yes, that is true.

Sri S. SRINIVASA IYENGAR.—May I know, then, how there can be a demand?

Sri H. SIDDAVEERAPPA.—Obviously, we have been competing with another kind of silk which is not natural silk but which is cheaper.

Sri S. SRINIVASA IYENGAR.—Then, why did not Government take necessary measure to produce silk at competitive price ?

Sri H. SIDDAVEERAPPA.—That is again a question that has been engaging the attention of the Central Silk Board and they have been devising the ways and means of lowering the cost of production so that the silk that we manufacture here can at least stand on a par with artificial silk.

Sri S. SRINIVASA IYENGAR.—Has the Central Silk Board given a reeling machine to the Government of Mysore ?

Sri H. SIDDAVEERAPPA.—Yes ; in your place it is working.

Sri S. SRINIVASA IYENGAR.—Are Government aware that the full use of that machine has not yet been made ?

Sri H. SIDDAVEERAPPA.—That is true. We have been making an experiment. Now we are satisfied that with the use of that machine the cost of production would be lowered.

Sri S. SRINIVASA IYENGAR—Is it not a fact that the Central Silk Board has offered to give Rs. 9,000 for sending a person to Japan for getting training in weaving ?

Sri H. SIDDAVEERAPPA.—Yes.

Sri S. SRINIVASA IYENGAR.—Did Government accept that offer ?

Sri H. SIDDAVEERAPPA.—Notice.

Sri S. SRINIVASA IYENGAR.—Will the Government be pleased to state whether they would immediately constitute a committee to enquire into the working of this industry being revived ?

Sri H. SIDDAVEERAPPA.—That will be considered.

Industrial School at Chikmagalur.

Q.—1011. Sm. B. L. SUBBAMMA (Chikmagalur—Kadur).—

Will the Government be pleased to state :—

(*a*) the steps taken by them for improving the Industrial School at Chikmagalur ;

(*b*) whether they are intending to convert the said institution into an occupational institute ?

A.—Sri H. SIDDAVEERAPPA (Minister for Home and Industries).—

(*a*) Besides training artisans in Smithy, Carpentry, Rattan and Lacquerware, this school is also providing facilities to Middle School students for undergoing training in Carpentry as their optional subject. The school is now run in a rented building which is located in a corner of the town and where accommodation is limited. Steps are being taken to shift it to the building donated by late Sri B. N. Hanumanthappa, after effecting necessary alteration and improvements at an estimated cost of Rs. 18,000. This will enable a larger number of students being trained, and will also help to improve the production and the sales of the articles manufactured at the school. Steps are also being taken to increase the sales of the products of the school through the Stores Purchase Committee.

(*b*) No.

ಶ್ರೀಮತಿ ಬಿ. ಎಲ್. ಸುಬ್ಬಮ್ಮ.—ಕೈಗಾರಿಕೆ ಶಾಲೆಯನ್ನು ಅಭಿವೃದ್ಧಿಪಡಿಸಲು ಹನುಮಂತಪ್ಪ ನವರು ಧರ್ಮಾರ್ಥವನ್ನು ಕೊಟ್ಟು ಎಷ್ಟು ವರ್ಷ ವಾಯಿತು ?

ಶ್ರೀ ಎಚ್. ಸಿದ್ದವೀರಪ್ಪ.—ಅದಕ್ಕೆ ನೋಟೀಸ್ ಬೇಕು.

ಶ್ರೀಮತಿ ಬಿ.ಎಲ್. ಸುಬ್ಬಮ್ಮ.—ಈ ಕೈಗಾರಿಕೆಯ ಶಾಲೆ ಪ್ರಾರಂಭವಾಗಿ ಎಷ್ಟು ವರ್ಷವಾಯಿತು ?

ಶ್ರೀ ಎಚ್. ನಿದ್ದವೀರಪ್ಪ.—ಸುಮಾರು 25 ವರ್ಷ ಗಳ ಮೇಲಾಗಿದೆ.

ಶ್ರೀಮತಿ ಬಿ. ಎಲ್. ಸುಬ್ಬಮ್ಮ.—ಇದನ್ನು ವೃತ್ತಿ ಶಿಕ್ಷಣ ಶಾಲೆಯನ್ನಾಗಿ ಪರಿವರ್ತನೆ ಮಾಡುವಿರಾ ಎಂದು ಕೇಳಿರುವ ಪ್ರಶ್ನೆಗೆ ಉತ್ತರ ಕೊಟ್ಟಿಲ್ಲ. ಆ ವಿಚಾರದಲ್ಲಿ ತಮ್ಮ ಅಭಿಪ್ರಾಯವೇನು ?

ಅಧ್ಯಕ್ಷರು.—' No ' ಎಂದು ಹೇಳಿದ್ದಾರೆ.

ಶ್ರೀಮತಿ ಬಿ. ಎಲ್. ಸುಬ್ಬಮ್ಮ.—ಉತ್ತರದಲ್ಲಿ ಹೇಳಿರುವ ನಮಜಾಯಿಷಿ ಪ್ರಜಾಪ್ರಭುತ್ವ ಬರುವು ದಕ್ಕೆ ಮುಂಚೆ ಹೇಳುತ್ತಿದ್ದುದು, ಹೊಸದಾಗಿ ಏನೂ ಹೇಳಿಲ್ಲವೆಂದು ಗೊತ್ತಾಗುತ್ತದೆ. ಇದನ್ನೇಕೆ ಪರಿ ವರ್ತನೆ ಮಾಡುವುದಕ್ಕಾಗುವುದಿಲ್ಲ ?